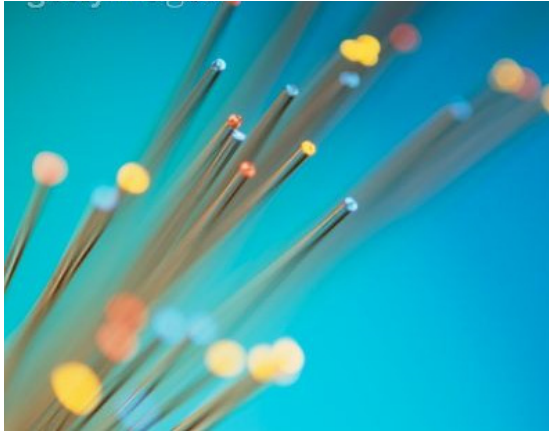


Lower Taxes for High-Tech Companies



Qualified High Technology Companies (QHTC)

A collection of incentives reducing the cost of doing business for high-tech companies

ELIGIBILITY: Business must employ two or more individuals, have an office or headquarters in a designated High Technology Development Zone and derive a majority of revenues from qualifying high-technology activities. The District's Office of Tax and Revenue administers the program

The District's New E-economy Transformation Act (NET 2000) allows Qualified High Technology Companies (QHTC's) to receive a suite of valuable incentives, including:

- Reduction in the corporation income tax from 9.975% to 6% and in many cases elimination of the corporate income tax for five years;
- Ten-year abatement on qualified personal property taxes;
- Five-year freeze on assessed value of real property (i.e., no increase in real property tax);
- Relocation reimbursements of up to \$5,000 for each employee relocated to the District and \$7,500 if the employee also relocates his or her principle residence into the District;
- Wage reimbursements of up to \$5,000 for each person hired;
- Exemption from District sales taxes for purchases of certain technology equipment and exemption from tax on sale of certain intangible property and services.

To qualify for the credit, the company must be located in a High Technology Development Zone (map is available at dcbiz.dc.gov).



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